

Assembly Bill No. 2591

Passed the Assembly August 31, 2006

Chief Clerk of the Assembly

Passed the Senate August 30, 2006

Secretary of the Senate

This bill was received by the Governor this _____ day
of _____, 2006, at _____ o'clock ____M.

Private Secretary of the Governor

CHAPTER _____

An act to add and repeal Section 13292.5 of the Government Code, relating to state agencies.

LEGISLATIVE COUNSEL'S DIGEST

AB 2591, Keene. State agencies: accounts: reports.

Existing law requires state agencies to submit various reports to the Department of Finance regarding state agency operations and expenditures.

This bill would, until July 1, 2010, require specified state agencies to submit to the department an annual report on the status of that agency's liquidated and delinquent accounts as of the end of the previous fiscal year and efforts made by the agency to collect those accounts. It would define liquidated and delinquent accounts for this purpose as any loans, accounts receivable, fines, assessments, penalties, or other monetary obligation owed to a state agency that is unpaid for 180 or more days after the obligation was first due to that state agency. It would require the director of the department, by no later than February 28 of each year, to submit to the Legislature a report on the status of liquidated and delinquent accounts of state agencies. It would specify that these requirements apply only if sufficient existing resources of the agencies and department are available for this purpose.

The people of the State of California do enact as follows:

SECTION 1. Section 13292.5 is added to the Government Code, to read:

13292.5. (a) No later than October 31 of each year, each state agency listed in subdivision (d) shall submit a report to the director that identifies and describes the status of that agency's liquidated and delinquent accounts as of the end of the previous fiscal year and efforts made by that agency to collect these accounts during that previous fiscal year. The report shall identify receivables that are valid and collectible. For this purpose, "valid" means due and payable and for which there is

no known disagreement about the amount of the claim at the time it was established, and “collectible” means due and payable and for which collection has not been deferred by any other provision of law. The report shall be in a form prescribed by the director and shall include, by state agency, but not be limited to, a summary of the total of all of the following:

(1) The total number and aggregate dollar amount of liquidated and delinquent accounts.

(2) Liquidated and delinquent accounts, by total number and aggregate dollar amount, that were not included in the annual report for the immediately preceding fiscal year.

(3) Aggregate beginning balance and aggregate ending balance of all liquidated accounts and of all delinquent accounts.

(4) Aggregate dollar amount of moneys paid on liquidated and delinquent accounts.

(5) Total amount and total number of liquidated and delinquent accounts that have been discharged from accountability.

(6) Total dollar amount of liquidated and delinquent accounts turned over to private collection agencies and total amount collected by those agencies for the fiscal year that is the subject of the report.

(7) An aging of the liquidated and delinquent accounts included in the report, which, at a minimum, shall identify the total number and aggregate dollar amount of liquidated and delinquent accounts that are within the following time periods after the obligation was first due to a state agency:

(A) From 180 to 365 days.

(B) From 366 to 545 days.

(C) More than 545 days.

(b) No later than February 28 of each fiscal year, the director shall submit to the Legislature a report on the status of liquidated and delinquent accounts of state agencies, which shall be based on the reports submitted by state agencies pursuant to subdivision (a).

(c) As used in this section, “liquidated and delinquent accounts” means any loans, accounts receivable, fines, assessments, penalties, or other monetary obligation owed to a state agency that is unpaid for 180 or more days after the obligation was first due to that state agency.

(d) Subdivision (a) shall apply to all of the following state agencies:

- (1) State Board of Equalization.
- (2) Franchise Tax Board.
- (3) State Lands Commission.
- (4) Department of General Services.
- (5) Department of Motor Vehicles.
- (6) Department of Real Estate.
- (7) Department of Corporations.

(e) A state agency shall not enter into a contract with a private nongovernmental collection agency to perform the functions required of a state agency under this section.

(f) The agencies listed in subdivision (d) and the department shall use existing resources to comply with the requirements of this section, which shall apply only if sufficient resources are available for this purpose.

(g) This section shall become inoperative on July 1, 2010, and, as of January 1, 2011, is repealed, unless a later enacted statute, that becomes operative on or before January 1, 2011, deletes or extends the dates on which it becomes inoperative and is repealed.

Approved _____, 2006

Governor